

OFFICE OF LEGISLATIVE RESEARCH  
PUBLIC ACT SUMMARY



**PA 18-136—sHB 5591**

*Finance, Revenue and Bonding Committee*

**AN ACT CONCERNING THE MACHINERY RENTAL SURCHARGE RATE, CERTAIN MUNICIPAL FILING FEES AND THE PROPERTY TAX EXEMPTION FOR CERTAIN PAINT MIXING MACHINERY AND EQUIPMENT**

**SUMMARY:** This act makes the following tax and fee related changes:

1. increases the fees municipalities must charge for various permits and filings;
2. increases, from 1.5% to 2.75%, the surcharge on rental machinery; and
3. requires retailers claiming a property tax exemption for machinery and equipment used to color or mix paint for in-state sales to apply to local assessors, on a form the assessors prescribe, annually by November 1 (§ 2).

**EFFECTIVE DATE:** July 1, 2018, and the rental surcharge is applicable to machinery rented on or after July 1, 2018.

**§§ 3-6 — MUNICIPAL FEE INCREASES**

The act increases the fees municipalities must charge for various permits and filings, as shown in Table 1.

**Table 1: Municipal Fee Increases**

<i><b>Fee Description</b></i>	<i><b>Prior Law</b></i>	<i><b>Act</b></i>
Liquor permit filing	\$2	\$20
Filing any document with town clerk	5	10
Survey or map filing and indexing	10	20
Subdivision survey or map filing and indexing	20	30
Notary public: commission and oath recording	10	20
Notary public: character certification	2	5
Marriage license (including surcharge)	30	50
Burial or removal, transit, and burial permit	3	5
Cremation permit	3	5

**§ 1 — RENTAL MACHINERY SURCHARGE**

By law, the state imposes a surcharge on certain machinery rentals and requires rental companies to annually remit to the Department of Revenue Services the amount of the surcharge collected that exceeds the local property

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taxes and Department of Motor Vehicles registration and titling fees they paid on the equipment. The act increases the surcharge from 1.5% to 2.75%.

By law, the surcharge applies to (1) businesses generating at least 51% of their total annual revenue from rentals, excluding retail or wholesale sales of rental equipment, and (2) rentals for less than 365 days or for an undefined period under an open-ended contract.